



Provider Communication

Subject: Program Specialist, Sr /Hospital Policy	Priority: High
Date: April 28, 2005	Message ID: ACSBNR04282005_2

Dear Hospital Providers:

The Department is rescinding the April 1, 2005 policy change that would have capped the cost-to-charge ratios at 100% for individual cost centers for the purpose of outpatient hospital cost settlements, section 1001.3 Outpatient Services paragraph B.

The Department will continue to evaluate the current Medicaid policy regarding outpatient hospital cost settlements and take future action to ensure that settlements are based on reasonable costs.

If you have further questions, please contact David Riddle, Program Director Institutional Reimbursement (404) 656-4530.

Sincerely,

The Department of Community Health